


Memorandum



Date: September 23, 2004

To: Honorable Barbara Carey-Shuler, Ed.D. and Members
Board of County Commissioners

From: George M. Burgess
County Manager 

Subject: Additional information

At the Budget Workshop on September 21, 2004, several questions and issues were raised. This report addresses those points and also identifies and corrects scrivener's errors that have been found in my report, "Information for Second Budget Hearing—FY 2004-05 Resource Allocation Plan," dated September 23, 2004 (the Second Change Memo). First, however, I want to thank Chairperson Carey-Shuler, the other members of the Board, and Mayor Penelas for your guidance and collaborative efforts as we developed this FY 2004-05 Proposed Budget. I am especially appreciative of the support by the Chairperson throughout the process, as well as the opportunity provided by calling the Budget Workshop. The Board's participation and direction has been very valuable. The recommendations provided in this report are adjustments to the Second Change Memo previously sent to you.

RECOMMENDATION

1. Funding for Park Equipment

Commissioner Ferguson requested additional information regarding the purchase of heavy equipment for the Park and Recreation Department. The Park and Recreation Department on an annual basis requests funds from the Capital Outlay Reserve (COR) to cover costs associated with the replacement of heavy vehicles and off-road mobile equipment such as mower, tractors, trailers, etc. The cost of equipment can vary from \$30,000 for a one-ton pick up truck to \$70,000 for a backhoe, to \$135,000 for a bulldozer. The useful life of this equipment is dependent upon the terrain where they are used and salt air conditions. A typical beach maintenance dump truck should be replaced every 8 to 15 years whereas a dump truck on the mainland can be operational for 15 to 20 years. The Department has identified approximately \$1 million in equipment to be purchased.

The equipment is maintained by the fleet maintenance unit in the Park and Recreation Department and is funded by a general fund subsidy. Staff maintains a database that notifies users when the equipment is scheduled for maintenance. When the equipment is no longer functional, becomes obsolete, fails to meet safety standards, or is no longer cost effective to maintain it becomes part of the list of equipment to be replaced.

Since FY 1999-00, the Department has received \$5.578 million from COR for the ongoing replacement of out-dated equipment. In the second change memo the Department was recommended to have \$100,000 in new funding in addition to carryover funding of approximately \$230,000 for equipment replacement. In light of the concerns raised at the Budget workshop, I am recommending another \$170,000 for a total of \$500,000 for equipment. By allocating the same amount in FY 2005-06, the Department will have \$1 million for equipment over two years. Priority items include equipment for the Equestrian Center.

The Park and Recreation Department and the Office of Strategic Business Management are currently engaged in an analysis of the Department's present equipment inventory with the eventual outcome being a multi-year capital plan that will be consistent with standards and performance measures. Issues being defined are age of equipment, repair history, and suitability of equipment to desired outcomes. We will report through the Recreation and Cultural Affairs Committee when recommendations are finalized.

2. Long-Term Vacant Positions

In light of the Commission's discussion regarding the Commission Auditor's Report on vacant positions, I directed staff to identify all positions that have been vacant for more than three years; 155 positions have been identified. Information has been requested for each of those positions from the department to whose table of organization the position belongs. A full report will be provided to the Board through the Government Operations and Environment Committee regarding those positions within ninety days. That report will include recommendations regarding the deletion of such positions. It is recommended that any General Funds associated with positions deleted as a result of this process be placed into the Contingency Reserve.

Of particular interest during the discussion at the Budget Workshop were two positions in the Community Action Agency that appeared to be funded, not filled with a part-time or temporary employee, and vacant for fifteen years. Attachment 2 is a report from the Department Director, Ophelia Brown, regarding those positions. Based on that report, those two positions will be deleted from the Table of Organization.

3. Emergency Preparedness Reserve

As I recommended in the Second Change Memo, and as suggested by Commissioner Seijas, I proposed establishing a shelter supplies reserve of \$100,000. Following further concerns raised by Commissioners Barreiro, Rolle, Seijas, Sosa, and Souto at the Board of County Commissioners (BCC) meeting on Sept 21, 2004, and subsequently at the budget workshop, I am recommending that an additional \$500,000 be allocated and made available from the Countywide Emergency Contingency Reserve upon declaration of a county emergency.

These funds could be used to provide additional support for supplies, and other miscellaneous needs such as shutter preparedness for the elderly and disabled who are not a part of the "Project Impact" program. I am instructing Carlos Castillo, our Emergency Management Director to work with County staff, the Board, and appropriate agencies to address the overall Miami-Dade County emergency plan concerns that were also raised by the BCC on Sept. 21, 2004. Part of the overall recommendations should include the appropriate and efficient use of these funds.

This funding will grow each year at the same growth rate experienced by the countywide tax roll.

4. Community-based Organizations

The Proposed Budget includes \$3.9 million for the Commission District Discretionary Fund and \$1.3 million for the Mom and Pop Grant Program, which was supported by Chairperson Carey-Shuler when created in FY 2001-02.

Attachments F, H, I, and J to the Second Change Memo include recommended allocations to community-based organizations and certain County programs. Attachment F allocates general funds; Attachment H, Aviation Promotional Funds; and Attachment I, Seaport Promotional Funds. Attachment J is the detailed listing of all recommended allocations except for those allocated by the Public Health Trust, which is scheduled to make its recommendations on September 30. While the recommendations in Attachments H and I are complete, certain allocations from those recommendations were erroneously omitted from Attachment J. As directed by the Board, we contacted Commissioners to identify any remaining budgetary concerns. Based on requests from Commissioners, additional allocations are recommended and included in Attachments F and J. Updated versions of Attachments F and J are attached to this report, which also reflect allocations for the Cultural Affairs Grants. We were unable to fund the requests totally. As you remember, the District Discretionary Reserve was created this year specifically to address such funding gaps. Any remaining funds in the FY 2003-04 Discretionary Reserve as well as the funds earmarked for the FY 2004-05 Discretionary Reserve (\$300,000 per district) could be used to meet needs that are important to your communities and that were not included in the recommendations.

5. Alternative Recommendation Regarding Juvenile Assessment Center and Department of Human Services

At the direction of the Chair, we have identified funding so that the budget does not depend upon the savings from the Juvenile Services Program consolidation. It is recommended that the programs continue operating in their current organizational structure. Such a change will require a transfer of \$2.908 million and the associated 44 positions (\$1.661 million from the countywide general fund, and \$1.247 million of grant and other non-general fund revenue) to the Department of Human Services from the Juvenile Assessment Center (JAC). The JAC would then require an additional \$385,000 from the countywide general fund since the savings associated with the consolidation would no longer be occurring. This additional general fund money would

be made available by reducing the Capital Outlay Reserve's allocation for early payment of principle.

We will develop alternative organizational structures and recommendations for review by the Public Safety and Economic Development and Human Services Committees and consideration by the Board during the year, separate from the budget process. A summary of the benefits of the consolidation is attached. That information is also contained in the Juvenile Services report (Attachment B) to the Second Change Memo. This consolidation does not affect other juvenile service programs, such as the Youth Crime Task force, which was initiated by Chairperson Carey-Shuler.

6. Clarifications and Scrivener's Errors

Attachment 1 is a listing of scrivener's errors found in the Second Change Memo.

The above recommendations and adjustments to the general fund are summarized by the following chart.

General Fund Recommendation			
(Dollars in Thousands)			
	<u>CW</u>	<u>UMSA</u>	<u>Total</u>
<u>Expenditure Adjustments</u>			
Capital Outlay Reserve (COR) - reduce reserves and finance eligible projects	(\$1,445)	\$0	(\$1,445)
COR - parks equipment replacement	170	0	170
Juvenile Assessment Center	385	0	385
MLK Economic Development Corp.	150	0	150
Miami-Dade College - Miami Film Festival	75	0	75
Miami-Dade College - Book Fair	75	0	75
Amigos for Kids	50	0	50
Miami River Commission	20	0	20
City of Sweetwater - Bus for Elderly Program	70	0	70
University of Miami - Cuban Heritage Museum	100	0	100
League Against Cancer	200	0	200
Orange Blossom Classic	25	0	25
MLK Parade - West Perrine CDC	20	0	20
MLK Parade - Homestead CDC	5	0	5
Omega Activity Center	30	0	30
Veye yo Community Center	35	0	35
Farah's Angels Day Care Center	35	0	35
Total Expenditure Adjustments	\$0	\$0	\$0

INFORMATION

1. Millage Reduction

Attachments K and L list reductions necessary to balance the budget at reduced millage rates. A reduction of \$122,000 is listed for the Office of Community and Economic Development and the Empowerment Zone. The reduction would reduce the support to the Alliance for Human Services. That list erroneously includes the reduction of two positions. No County positions would be affected by that reduction.

A reduction of \$272,000 is included in Attachment L for the Park and Recreation Department. The narrative indicates that the change will eliminate four positions. However, the four positions were omitted from the Positions column.

Also, in Attachment L, the language has been corrected to better reflect the impact of reductions in ITC.

In Attachment K, a reduction of \$264,000 is included in the County Manager's Office. The correct amount is \$215,000, or \$49,000 less. To balance, an equal amount has been added to the Capital Outlay Reserve. Language has also been incorporated to properly reflect the impact of the proposed reduction.

Overall, therefore, the reduction of 0.299 mills would affect 196 positions, and the reduction of 0.025 mills would affect 15 positions. Corrected versions of Attachments K and L are attached to this recommendation.

As requested by Chairperson Carey-Shuler, Attachment 3 details the necessary expenditure reductions required to achieve a countywide millage reduction of 0.034 mills. The Chairperson proposed millage reduction will result in the average homesteaded property owner in the unincorporated area paying the same amount in property taxes as in the current year.

2. Arcola Lakes Park

Commissioner Rolle requested information regarding Arcola Lakes Park. The Park and Recreation Department has estimated that lighting the paths at this park would cost approximately \$378,000, which is not currently included in the Proposed Budget. If the Board approves the merging of categories of spending in QNIP Phases I and II as recommended in the Second Change Memo, the Commissioner could reallocate existing QNIP funding toward this project. Additionally, construction of a Senior Center at Arcola Lakes Park is included in the Building Better Communities General Obligation Bond program (\$6 million). The bathrooms at this park are being repaired and that project should be complete in about three weeks.

3. Public Health Trust Reserve

Commissioner Seijas has requested that any County support to the Public Health Trust (PHT) budget be placed in a reserve account pending the PHT addressing concerns raised regarding its internal operational changes. Because the anticipated financing of capital projects will not occur until the second half of FY 2004-05, there are not funds to place into a reserve account, and there are not funds directly associated with the County's taking over the responsibility for the PHT's insurance deductible for named storms. However, the financing will require Commission approval during FY 2004-05 before which time, the PHT will be able to work with me and my staff and then meet with the Commission to discuss all issues regarding internal operational changes.

As recommended in the Second Change Memo, County staff will be working closely with the PHT to identify and resolve financial, budgetary, and administrative issues.

4. Alternatives If Portions of Building Better Communities General Obligation Bond Issue Fails

This important policy issue was raised by Commissioner Rolle while addressing the need for improvements at the Northside Police Station and Commissioner Diaz in discussions about the Trail Glades Range. The Building Better Communities General Obligation Bond Program will provide funding not currently available for major facility and other capital needs. However, given the condition of many County facilities, it may be necessary to develop alternatives for pay-as-you-go funding to repair and renovate County buildings and facilities, including the Northside Police Station and the Trail Glades Range. In the event that a question that includes funding for County projects does not pass, recommendations regarding alternative funding options (where possible) will be provided to you in early 2005.

At the Commissioners aides' briefing meeting, staff requested a list of projects that are contained in both the Multi-Year Capital Plan and in the Building Better Communities General Obligation Bond program (GOB). Funding allocated for Caleb Center Renovations (\$500,000); funds in the Capital Outlay Reserve for Department of Environmental Resources Management beach renourishment (\$5 million); and proprietary funds for the Renovation of the Bear Cut Bridge and construction of the Doral Library, Hialeah Gardens Library, and Killian Library are included in both plans.

5. Improved Reporting of Areas Requiring Service

I was appreciative of the comments regarding the responsibility of all County employees to identify areas requiring service and to report such needs. Once the 311 System is operational, such reporting could be done relatively easily. I have directed Assistant County Manager Alex Muñoz to work with Team Metro, the Communications Department, and the Employee Relations Department to develop the procedures for such a program.

6. Corrections and Rehabilitation - Immigrations and Customs Enforcement

The Bureau of Immigrations and Customs Enforcement (ICE) has informed the Miami-Dade Corrections and Rehabilitation Department (C&R) that it will re-locate the criminal female population out of the Turner-Guilford-Knight (TGK) facility into alternative locations. Currently, the ICE reimburses C&R for female criminal aliens being detained in the TGK facility. The revenue from this agreement produces about \$1.7 million per year, depending on the number of inmates detained. When the criminal aliens are removed from TGK, the additional bed space will result in lower overtime expenses due to reduced double bunking and therefore is expected to result in a net loss to the Corrections Department of approximately \$300,000. The \$1 million reserve recommended to cover expenses associated with the habitual misdemeanor legislation may also be available for the potential net revenue loss associated with the loss of this grant.

Attachments

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